UNITED NATIONS
ECONOMIC AND SOCIAL COUNCIL

Distr.
GENERAL

E/ECA/TRADE/89/22
31 July 1989

Original: ENGLISH

UNITED NATIONS
ECONOMIC COMMISSION FOR AFRICA

Technical Meeting of Experts to the Tenth Meeting of the Conference of African Ministers of Trade

Addis Ababa, Ethiopia
13-15 November 1989

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I. Introduction

1. The historical scenario of the expansion of trade in Africa during the 1980's is a matter of great concern to African Ministers of Trade as well as economic planners. In the first place, prices of primary commodities of export interest to African countries collapsed in 1980 and have remained low since then. At the same time, the imports of manufactured, consumer and industrial goods, as well as food have steadily increased over the period. As a result, the balance of trade of many African countries have been negative resulting also in chronic deficits in the balance of payments. Secondly, the performance of the export sector of many African countries has been sluggish and has not kept pace with the development requirements thereof. This is partly explained by the problems of access for African goods in the industrialized countries despite the existence of international agreements such as the ACP/EEC Conventions. Thirdly, the previous GATT Rounds of Multilateral Trade Negotiations, while addressing some of the issues of direct concern to Africa, did not directly deal with issues that address the structural transformation of the production and distribution of primary commodities and minerals of developing African economies so as to enable them to be more competitive in the world market.

2. At the African level, sub-regional trade and economic cooperation infrastructure have been created during the 1980's while existing ones were consolidated. However, despite these institutions, the level of intra-African trade is still extremely low and does not justify the creation of these institutions. Although the Lagos Plan of Action provides for the expansion of intra-African trade as the mainstay of Africa's social and economic development through collective self-reliance, the experiences in the development of intra-African trade have been very disappointing. Statistics indicate that presently the share of intra-African trade in Africa's total trade is between 4.2 and 5 per cent and that in some cases this share is declining. Although trade and customs barriers are not in principle applied against goods from the sub-regional economic groupings, there are nevertheless invisible obstacles to such trade. Consequently, the dream of collective self-reliance through intra-African trade has not been realized.

3. At the national level, the situation is not significantly better. Domestic trade still remains disorganized and not fully supported by strong policy measures. The rural areas continue to operate largely under the informal economic sector using outmoded trade and distribution systems. This alienates the informal sector from the modern sector. In fact, statistics show that as a result of the low level of domestic trade, instances are common when serious shortages co-exist with excessive surpluses within the same economy.

II. The Conference Theme

4. The theme of the Conference is: Strategies and Policy Options for Strengthening Africa's Trade Sector: An Agenda for the 1990's.

III. Main Issues to be Discussed at the Conference

5. In the light of the above, the Conference of African Ministers of Trade will focus on identifying the trade policy implications of AAF-SAP and the elaborations of appropriate alternative strategies and policy options in the light of the following:

(a) review of the implementation of the Lagos Plan of Action in the field of trade and achievements attained in the 1980s which will form the basis for drawing up the Agenda for Africa's Trade in the 1990's;

(b) policy reforms needed in Africa's production and distribution structures to re-vitalize Africa's performance in domestic and intra-African trade in the light of existing sub-regional groupings;

(c) assessment of recent developments in the Uruguay Round of Multilateral Trade Negotiations and the Global System of Trade Preferences among developing countries (GSTP) so as to determine how African countries can take full advantage of these frameworks to expand their trade; and

(d) review the progress in the negotiations for the fourth ACP-EEC Lomé Convention against the background of new relations between Africa and Europe bearing in mind the establishment of a single European market in 1992.

IV. Date and Venue

6. The tenth meeting of the Conference of African Ministers of Trade will be held in Addis Ababa, Ethiopia from 17 to 18 November 1989. This will be preceded by the meeting of an Intergovernmental Experts' Group from 13 to 15 November 1989.

V. Objectives and expected outcome of the Conference

7. The Conference is expected to make a thorough assessment of the performance of Africa's domestic, intra-African and international trade in the light of past or existing policy directions, recommendations and activities that were carried out for the implementation of the Lagos Plan of Action and the Final Act of Lagos. Trade measures will be examined in the context of the on-going multilateral trade negotiations within the Uruguay Round and the ACP-EEC Lomé Convention. The meeting will thus give great

attention to finding appropriate solutions to Africa's external trade problems. Special development-oriented policies will be adopted for the rationalization and for the expansion of domestic trade, intra-African trade; South-south trade and trade with the developed countries. The meeting is especially expected to adopt an appropriate Agenda for the 1990s showing distinct policy options and strategies that would enhance Africa's trade performance in the coming decade.

VI. Participation

8. All Ministers responsible for Trade of member States of the United Nations Economic Commission for Africa are invited to participate in the meeting. Specialized Agencies of the United Nations dealing with trade, the Organization of African Unity and African subregional and regional organizations will also be invited to participate in the Conference.

VII. Documentation

9. The intergovernmental experts' group meeting will have before it the following documents and background papers:

1. Report on the Situation of Trade Relations between Africa and China (E/ECA/TRADE/89/7);

2. Report on Trade Prospects between Africa and Developing Countries (E/ECA/TRADE/89/9);

3. Report on Domestic and transborder trade. (E/ECA/TRADE/89/14)

4. Report on Intra-African Trade Situation, Problems and Prospects (E/ECA/TRADE/89/15);

5. Report on Recent Trends and Developments in International Trade Relations (E/ECA/TRADE/89/16);

6. Report on the implementation of the Integrated Programme for Commodities (E/ECA/TRADE/89/17);

7. Report on the Structures and Management of African State Trading Organizations (E/ECA/TRADE/89/18);

8. Report on Strengthening Institutional and Operational Capabilities of Inter-governmental Trade Organizatrions (E/ECA/TRADE/89/19);

9. Mechanisms of Integrating Women in Programmes of Trade Development. (E/ECA/TRADE/89/20);

10. Report on the Implementation of the Global System of Trade Preferences among Developing Countries (E/ECA/TRADE/89/21).

10. The Ministerial Conference will examine the Report of the Experts which will focus on Strategies and Policy Options for Strengthening Africa's Trade Sector: An Agenda for the 1990's.

VIII. Cost of Participation

10. The cost of participation at this meeting, including air fare and daily subsistence allowance, will be borne by each government or organization.